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## Pentagon Expects Cuts in Military Spending

WASHINGTON After years of unfettered growth in military budgets, Defense Department planners, top commanders and weapons manufacturers now say they are almost certain that the financial meltdown will have a serious impact on future Pentagon spending.

Across the military services, deep apprehension has led to closed-door meetings and detailed calculations in anticipation of potential cuts. Civilian and military budget planners concede that they are already analyzing worst-case contingency spending plans that would freeze or slash their overall budgets.

The obvious targets for savings would be expensive new arms programs, which have racked up cost overruns of at least \$300 billion for the top 75 weapons systems, according to the [Government Accountability Office](#). Congressional budget experts say likely targets for reductions are the Army's plans for fielding advanced combat systems, the [Air Force's](#) Joint Strike Fighter, the [Navy's](#) new destroyer and the ground-based missile defense system.

Even before the crisis on Wall Street, senior Pentagon officials were anticipating little appetite for growth in military spending after seven years of war. But the question of how to pay for national security now looms as a significant challenge for the next president, at a time when the Pentagon's annual base budget for standard operations has reached more than \$500 billion, the highest level since World War II when adjusted for inflation.

On top of that figure, supplemental spending for the wars in Iraq and Afghanistan has topped \$100 billion each year, frustrating Republicans as well as Democrats in Congress. In all, the Defense Department now accounts for half of the government's total discretionary spending, and Pentagon and military officials fear it could be the choice for major cuts to pay the rest of the government's bills.

On the presidential campaign trail, Senators [John McCain](#) and [Barack Obama](#) have pledged to cut fat without carving into the muscle of national security. Both have said they would protect the overall level of military spending; Mr. McCain has further pledged to add more troops to the roster of the armed services beyond the 92,000 now advocated by the Pentagon, a growth endorsed by Mr. Obama.

Some critics, citing the increase in military spending since Sept. 11, 2001, say it would be much easier to cut military spending than programs like Social Security and [Medicare](#) at a time when most people's retirement savings are dwindling because of the financial crisis. Representative [Barney Frank](#), the Massachusetts Democrat who is chairman of the House Financial Services Committee, has raised the idea of reducing military spending by one-quarter.

At the Pentagon, senior officials have taken up the mission of urging sustained military spending. Adm. [Mike Mullen](#), chairman of the [Joint Chiefs of Staff](#), has asked Congress and the nation to pledge at least 4 percent of the gross domestic product to the military. And Defense Secretary [Robert M. Gates](#) has warned against repeating historic trends, in which the nation cut money for the armed services after a period of warfare.

“We basically gutted our military after World War I, after World War II, in certain ways after Korea, certainly after Vietnam and after the end of the cold war,” Mr. Gates said. “Experience is the ability to recognize a mistake when you make it again.”

Mr. Gates acknowledges that military spending is almost certain to level off, and he expressed a goal that the Pentagon budget at least keeps pace with inflation over coming years.

Apprehension over potential budget cuts has trickled down the Pentagon bureaucracy to those who each year draft the military’s spending proposals.

“If that’s what they want, they have to know that we simply cannot do everything we are doing now, but for less money,” said one Pentagon budget officer who was not authorized to speak for attribution. “So if there’s going to be less, it’s up to the president, Congress and the public to tell us what part of our national security mission we should stop carrying out.”

Much of the Pentagon budget pays for personnel costs, which are difficult to cut at any time, and particularly while troops are risking their lives in combat.

Mr. Obama has said his plan to begin drawing down American forces from Iraq would ease a wartime taxpayer burden that now totals over \$10 billion a month. But budget analysts at the Pentagon and on Capitol Hill say that even troop reductions in Iraq “whether at the cautious pace laid out by President Bush and endorsed by Mr. McCain or at the more rapid pace prescribed by Mr. Obama” would present little savings in the first years.

Moving tens of thousands of troops and their heavy equipment home from the Persian Gulf region is a costly undertaking. And housing at stateside bases is more expensive than in the war zone, so savings would be seen only in subsequent years.

Calls by both presidential candidates to shift troops from Iraq to Afghanistan actually would add costs to the Pentagon budget, according to military planners and Congressional budget experts. It is significantly more expensive to sustain each soldier in Afghanistan than in Iraq because of Afghanistan's landlocked location and primitive road network.

The [federal budget](#) is due to Congress in February, but that document is expected to be little more than an outline, arriving soon after Inauguration Day.

Congressional officials predict the new president will require several months to put his imprint on a detailed spending plan that would actually be worth debating on Capitol Hill.

On the campaign trail, Mr. Obama has said he would initially maintain overall military spending at current levels.

Obama has made it very clear that he doesn't see how the defense budget can be cut now given the commitments we have," said F. Whitten Peters, a former Air Force secretary now advising Mr. Obama on national security policies. His sense is that there is not money to be cut from the defense budget in the near term.

But in looking to future Pentagon budgets, he added, it is clear that "all the weapons programs cannot fit."

"So," he continued, "you're going to have to make some hard decisions."

Mr. McCain, a former Navy combat pilot who was taken prisoner during the war in Vietnam, is known for taking on what he has seen as wasteful Pentagon spending.

According to one of his advisers on military policy, Mr. McCain “feels very strongly that the whole procurement process is totally dysfunctional.”

“He believes that putting order, discipline and accountability back into the process will stop the gold-plating and bring costs down,” said the adviser, who asked not to be named in order to discuss the candidate’s views frankly.

These budget pressures also seem quite likely to add to the tensions between Congress and the Pentagon over the best balance between supporting the troops fighting insurgencies and developing weapons that might be needed in larger wars.

“I think we need a complete review of this whole thing,” said Representative Neil Abercrombie, a Democrat from Hawaii who is chairman of a House Armed Services subcommittee. “You cannot make a case for undermining the readiness of the Army and the Marines in the circumstances that we face today with a commitment of so much money to weapons systems that are at best abstract and theoretical.”

Executives at the leading defense contractors say they realize that the Pentagon’s spending is likely to be more restrained. Boeing’s chief executive, W. James McNerney Jr., recently wrote in a note to his employees: “No one really yet knows when or to what extent defense spending could be affected. But it’s unrealistic to think there won’t be some measure of impact.”

Ronald D. Sugar, the chief executive of Northrop Grumman, told stock analysts last month that financing for the company's projects seemed locked in for the coming year. But, Mr. Sugar added, "Clearly the pressures are going to increase in the out years."

A number of scholars who have examined the subject, including David C. Hendrickson, a political scientist at Colorado College, predict that "defense will not prove to be 'recession proof.' "

"Serious savings could be had by reducing force structure and limiting modernization," said Professor Hendrickson, who posted a 'blogbook' on the financial crisis at [pictorial-guide-to-crisis.blogspot.com](http://pictorial-guide-to-crisis.blogspot.com). "Though American power has weakened on every count, there is no reconsideration of objectives. Defining a coherent philosophy in foreign affairs and defense strategy that is respectful of limits is vital."

Other analysts, like Loren B. Thompson of the Lexington Institute, a policy research center, say that weapons spending will be fiercely defended by many in Congress and their allies in the weapons industry as a way to stimulate the economy. Buying new armaments and repairing worn-out weapons, Mr. Thompson said, protects jobs and corporate profits, and therefore benefits the economy over all.